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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 06/16/08

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ARTICLES:

(1) Like-minded LDP members file one petition after another, aiming to prompt new panel to start constitutional debate

TOKYO SHIMBUN (Page 2) (Full)
June 16, 2008

In an effort to prompt the newly established special Constitution research committees of the two Houses of the Diet to start up, like-minded Liberal Democratic Party (LDP) members eager to spur debate on the Constitution have submitted one petition after another

to the Diet. The committees were established based on the National Referendum Law, but they remain unable to even meet. It is quite unusual for the ruling coalition to actively file petitions. By filing petitions, the coalition is aiming to create a stir to spark a constitutional debate.

Under the petition system, people submit their requests to the Diet through the introduction of lawmakers. If a petition is adopted after being screened by the relevant committee, the petition will be deemed as given an endorsement. The opposition camp frequently resorts to this mechanism given its limited means to implement their policy measures.

The debate on the Constitution has rapidly decelerated since the LDP suffered a crushing defeat in the House of Councillors election last year and then Prime Minister Shinzo Abe, who was eager to revise the Constitution, stepped down. The special committees in both chambers of the Diet remain inactive, unable to even start deliberations to determine such details as the number of its members and rules on procedures.

The petitions -- submitted by like-minded LDP members -- urge the Diet steering committees of the Upper and Lower Houses to quickly set rules. In the petitions, former Foreign Minister Taro Nakayama, who has served as chairman of the Lower House Constitution Research Council, former Secretary General Taro Aso, and Policy Research Council Chairman Sadakazu Tanigaki are cited as introducers. The number of the petitions accepted in the Lower House is 44 and that in the Upper House is 57.

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One of the introducers said: "It is negligent that the legislative branch of government has not carried forward prearranged legal procedures." In many cases of the petitions, screening has already ended with no conclusion reached. But many anticipate that the petitions related to constitutional debate will not be easily disregarded, focusing on the lineup of key lawmakers as introducers.

Even so, the Democratic Party of Japan (DPJ) has boycotted deliberations since the Upper House adopted a censure motion against the prime minister. It is now certain that the current Diet session will be adjourned under an abnormal situation. On these petitions, too, conclusion of the screening might not be reached by the end of the session as anticipated.

(2) Due to divided Diet, 9 treaties to automatically clear Diet

TOKYO SHIMBUN (Page 2) (Full)
June 15, 2008

The government has called for Diet approval of four treaties and agreements. Of the four, two will clear the Diet automatically on June 21. Since three treaties were approved on June 12, a total of nine treaties will likely be automatically approved during the current Diet session. Since only 13 treaties had been automatically approved before the opening of the current session, the Diet approval of nine treaties during one session is unprecedented.

The Constitution stipulates that in the case of failure by the House of Councillors to take final action within 30 days, after receiving a treaty or agreement, passed by the House of Representatives, the decision of the Lower House becomes naturally the decision of the Diet.

Most of the treaties, including the revised Japan-U.S. Security Treaty in 1960, that were automatically approved were subjects of controversy between the ruling and opposition camps.

The 9 treaties that passed the Lower House with the approval of both the ruling coalition and the main opposition Democratic Party of Japan (DPJ) during the current session will all clear the Diet.

The DPJ asserted that it would not respond to deliberations, unless the ruling camp promised to summon Naoki Akiyama, executive director

of the Japan-U.S. Center for Peace and Cultural Exchange, to testify as a sworn witness before the Upper House Committee on Foreign Affairs and Defense, which deliberates on treaties. The ruling coalition, however, rejected the request. Therefore, the committee has not held any meetings since May 22.

The prevailing view in the ruling camp was that incomplete deliberations and unapproved treaties would be unavoidable, the argument being that the ruling parties should not allow the DPJ do what it wants. However, the ruling coalition chose a way for the treaties to be naturally approved by extending the current session from June 15 to the 21st. Prime Minister Yasuo Fukuda strongly desired to see Diet approval of an economic partnership agreement with the Association of Southeast Asian Nations.

Ruling Liberal Democratic Party (LDP) Diet Affairs Committee Chairman Tadamori Oshima stated: "It is extremely regrettable that the DPJ neglected doing its job." On the other hand, Committee

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Chairman Toshimi Kitazawa, a DPJ lawmaker, insisted that the ruling camp, which would not agree to allow Akiyama to testify, should be held to blame. He argued: "I told the ruling parties that they were responsible for persuading the opposition to approve the treaties. But they did not listen to me."

(3) Coordination on basic economic policy guidelines moving into full gear: Focus is on implementation of spending cuts; Specific measures likely to be forgone

NIKKEI (Page 2) (Full)
June 16, 2008

The government and the ruling parties will enter into full-fledged coordination to lay down basic policy guidelines on economic and fiscal management and structural reforms for fiscal 2008 at the beginning of this week. The government's Council on Economic and Fiscal Policy (CEFP) is expected to discuss draft guidelines at its meeting on June 17. Many ruling party members are calling for increased expenditures, mainly in the social security area. Under such a circumstance, how far Prime Minister Fukuda can adhere to his spending cut policy will be the challenge. The prime minister on the evening of the 14th called in State Minister for Economic and Fiscal Policy Hiroko Ota to the Prime Minister's official residence and conferred on the basic policy guidelines with her for about an hour and a half. During the meeting, he said, "I would like to maintain my reform stance in order to show to the people that the cabinet is properly tackling reform policy."

The focus will be on the direction of the reform to unify expenditures and revenues incorporated in the basic policy guidelines for fiscal 2006, the last set of guidelines issued by the Koizumi administration. Prime Minister Fukuda has announced his stance of keeping the existing spending cut policy line firm in order to bring the primary balance into the black by fiscal 2011. This could be done by making such efforts as to constrain the 220 billion yen in social security expenditures.

However, pressure from the ruling parties for increased spending is unusually strong. Participants expressed discontent with the prime minister's spending cut policy at a plenary meeting of the Liberal Democratic Party (LDP) on the 11th.

Regarding the spending reform as a whole, a proposal for modifying "carry out maximum spending cuts" to "make efforts to make maximum spending cuts" has been made.

An aide close to the prime minister said: "Writing basic policy guidelines is like depicting dreams. It is not necessary to include the minor details." Decision-making on the actual margin of cuts will likely be put off until the time when the budget is compiled.

(4) Divided Diet (Part 1): With eye on Lower House election, autumn winds have begun to blow; Turning tables difficult for ruling bloc

NIKKEI (Page 2) (Abridged)

June 16, 2008

The current session of the Diet, in which the ruling coalition parties have a majority in the House of Representatives and the opposition DPJ controls the House of Councillors, is set to close on June 21. The session has been tumultuous. With an eye on possible

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political realignment after the next Lower House election, lawmakers have begun making moves.

On the afternoon of June 13, a Lower House plenary session decided to extend the current Diet session for six days, and all ruling party lawmakers immediately headed for their own constituencies. The plenary session was not attended by many opposition parties, including the Democratic Party of Japan, which had decided to boycott Diet deliberations after the Upper House adopted days earlier a censure motion against Prime Minister Yasuo Fukuda. Autumn winds have begun to blow in the capitol district of Nagatacho.

The ongoing session of the Diet has put off many pain-inflicting policy issues. This will force the next extraordinary Diet session to handle such pressing issues as extending the Maritime Self-Defense Force's refueling operation in the Indian Ocean and raising the government's contribution to the basic pension scheme to 50 PERCENT of the total. The ruling bloc is eager to convene the extra Diet session earlier than usual, thinking it might be necessary to use a two-thirds Lower House override vote to pass some bills in accordance with the constitutional 60-day rule.

How is the ruling bloc going to fend off the opposition camp's fierce attack and grab a chance to turn the tables from the extra Diet session in the fall through the regular Diet session next year? The ruling bloc has a plan to achieve that.

The ruling coalition specifically intends to: produce bills to free up road-related revenues for general purposes and to fundamentally reform the taxation system and begin deliberations on them before the end of the year; get the bills past the Lower House by the end of January, and in the event the opposition bloc opposes them use a two-thirds Lower House override vote to enact them before the end of fiscal 2008; and dissolve the Lower House on the strength of the administration's achievements of road and tax system reform and the establishment of a consumer affairs agency.

The plan is also designed to apply pressure to those trying inside and outside the LDP to unseat Prime Minister Fukuda, as well as to give the prime minister a free hand to dissolve the Lower House. "Even if Prime Minister Fukuda leaves power, he can still earn his place in history," an LDP executive said to a Fukuda aide.

Meanwhile, DPJ Secretary General Yukio Hatoyama, appearing on an NHK talk show and other programs yesterday, noted: "Cabinet resignation should follow the adoption of a censure motion against the prime minister. If the Fukuda administration calls an extraordinary Diet session, we cannot support it." Many in the ruling camp are skeptical about whether a cabinet with support ratings of about 20 PERCENT can carry through road and tax reforms.

On the night of June 11, hours after the censure motion against the prime minister was adopted, Fukuda attended a meeting of some 60 young and mid-level LDP lawmakers. Before the attendants, Fukuda jokingly said: "I stood trial today. The courtroom was too noisy to hear the verdict." Fukuda then put his name on a Chinese phrase indicating the importance of solidarity after an important event.

There is no doubt that the important event means the next Lower House dissolution that would take place before September next year. The prime minister cannot rule out the possibility that some mid-level and young LDP lawmakers concerned about the next election

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will spearhead a drive to find a new face of the party for the election.

The trauma of being labeled incompetent by one chamber will continue haunting the prime minister. Fukuda attended a meeting of the government and the ruling coalition on June 12, the day after the censure motion was adopted, that decided on measures to improve the medical insurance system for those aged 75 and older. With his gaze fixed on the documents and remaining silent, Fukuda reportedly seemed extremely depressed.

In the last weekend, the prime minister managed in between meetings in the wake of the Iwate-Miyagi Inland Earthquake to be briefed by State Minister for Economic and Fiscal Policy Hiroko Ota and prime ministerial advisor Tatsuya Ito on the draft 2008 basic economic and fiscal policy guidelines and social security issues.

Finding it increasingly difficult to steer his administration under the divided Diet, Fukuda seems to be alternating between confidence and insecurity. The prime minister recently complained to a former cabinet minister of the LDP over the phone: "Convincing the public about matters is not easy."

(5) SOFA revision debated in symposium

RYUKYU SHIMPO (Page 2) (Full)
June 15, 2008

A nongovernmental organization seeking to revise the Japan-U.S. Status of Forces Agreement (SOFA) held a symposium yesterday at Okinawa International University in the city of Ginowan to discuss three opposition parties' draft revisions to the SOFA. Hiroshi Honma, a professor emeritus at Surugadai University, cited problems with the SOFA's current provisions while referring to its applicability. "Okinawa Prefecture has yet to be on the same plane as the rest of Japan," Honma said, pointing to the challenge of the opposition parties' proposal of revisions to the SOFA. Shokichi Kina, a House of Councillors member of the leading opposition Democratic Party of Japan (Minshuto), Mikio Shimoji, a House of Representatives member who has formed a parliamentary group with the People's New Party, and Kantoku Teruya, a House of Representatives member of the Social Democratic Party, participated in the symposium to discuss the future.

In their proposal of revisions to SOFA provisions, the opposition parties suggest the need (for the government) to listen to local views before constructing new bases. "They have paved the way to have the voices of local residents reflected," Honma said.

Meanwhile, Honma touched on the U.S. military's base control rights prescribed in SOFA Article 3. "The question is how to change the rights that are convenient to the United States," Honma noted. He also cited Germany's Bonn Agreement, which expressly stipulates that Germany's laws are applicable to the U.S. military's use of bases in that country. In this regard, Honma noted a problem, saying the opposition parties' proposal leaves ambiguity about applying Japan's laws to the U.S. military's use of bases in Japan. He specified criminal jurisdiction, saying, "They should have prepared a system that will allow Japan to go through on-base criminal procedures even more easily."

Shimoji argued: "It's important to make clear for what purpose they

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will use bases. The question is how to ensure (the U.S. military's stance of abiding by Japan's law). For that, the Japanese government's diplomatic stance is needed. The opposition parties' draft plan is not perfect. However, we will have to make a constant appeal not only to the United States but also to the public in Japan." Shimoji also suggested the need to apply Japan's law to U.S. forces in Japan. However, he said, "They would not abide by Japan's laws (in their use of new bases). Japan should clearly say this in its diplomatic negotiations."

The opposition parties' proposal incorporates an environmental clause. Teruya explained: "We have created Article 5 (for environmental conservation) from the position that we should make a drastic review of the SOFA from an environmental perspective."

Referring to the outlook for Diet discussions on the SOFA, Teruya noted: "Even in the Diet, only a very small number of people have concern and understanding on the issue of revising the SOFA. In the House of Councillors, some people discussed a resolution calling for revisions to the SOFA. However, all of us in the Diet should try to adopt such a resolution unanimously. That will have a big impact on the government and also on the United States. We will have to make efforts." So saying, he indicated that it would be difficult to present a resolution at the current Diet session.

Kina stressed that the opposition parties would aim to revise the SOFA when they take the reins of government. "We can't revise it unless we take office," he said.

(6) No alternative to base reduction: Honma

RYUKYU SHIMPO (Page 2) (Abridged)
June 14, 2008

Hiroshi Honma, a professor emeritus at Surugadai University who is familiar with the U.S. military's status of forces agreements (with Japan and other U.S. allies), told the Ryukyu Shimpo in an interview yesterday that Japan should push for disarmament as a drastic solution to U.S. military base issues. In late March, opposition parties agreed on draft revisions to the Japan-U.S. Status of Forces Agreement (SOFA). Honma gave high marks to this fact. However, Honma noted that U.S. Forces Japan is basically maintaining its status quo with no substantial change in its presence. "When it comes to matters at specific levels," Honma said, "there's no progress." He added, "There is no choice but to carry out base reductions."

In the interview, Honma explained why the SOFA needs to be revised. "NATO, which has been called a model, was concluded in 1951," Honma said. "In those days," he went on, "the world was in the midst of the Cold War." He added: "We were in a tense situation-both politically and militarily. Today, we're in a different environment. It's about time to rethink, even more fundamentally, the U.S. military presence in Japan."

Concerning issues relevant to the U.S. military's jurisdiction over criminal cases involving its SOFA personnel, Honma noted that the U.S. military is aware of rights guaranteed by the U.S. Constitution. He suggested the need to revise the SOFA instead of improving its implementation at the U.S. military's discretion.

SCHIEFFER